



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-552-819]

Certain Steel Nails from the Socialist Republic of Vietnam: Preliminary Results of Countervailing Duty Administrative Review and Intent to Rescind, in Part

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) preliminarily determines that countervailable subsidies are being provided to producers and exporters of certain steel nails (steel nails) from the Socialist Republic of Vietnam (Vietnam). The period of review (POR) is November 3, 2014, through December 31, 2015. Interested parties are invited to comment on these preliminary results.

DATES: Effective [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*.]

FOR FURTHER INFORMATION CONTACT: Yasmin Bordas, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3813.

SUPPLEMENTARY INFORMATION:

Background

These preliminary results are made in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). The Department published a notice of opportunity to request an administrative review of the countervailing duty (CVD) order on steel nails from Vietnam for the

POR on July 5, 2016.¹ On August 1, 2017, in response to timely requests, and in accordance with section 751(a) of the Act and 19 CFR 351.221(c)(1)(i), we initiated an administrative review of the *Order*.² For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.³ A list of topics included in the Preliminary Decision Memorandum is provided as an appendix to this notice.

The Preliminary Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Scope of the Order

The product covered by the *Order* is steel nails from Vietnam. For a complete description of the scope of this administrative review, *see* the Preliminary Decision Memorandum.

Methodology

The Department is conducting this CVD review in accordance with section 751(a)(1)(A) of the Act. For each of the subsidy programs found countervailable, we determine

¹ *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 81 FR 43584 (July 5, 2016).

² *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 81 FR 62720 (September 12, 2016). *See also Certain Steel Nails from the Socialist Republic of Vietnam: Countervailing Duty Order*, 80 FR 41006 (July 14, 2015) (the *Order*).

³ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Administrative Review of the Countervailing Duty Order on Certain Steel Nails from the Socialist Republic of Vietnam," (Preliminary Decision Memorandum) dated concurrently with, and hereby adopted by, this notice.

that there is a subsidy, *i.e.*, a financial contribution by an “authority” that confers a benefit to the recipient, and that the subsidy is specific.⁴ For a full description of the methodology underlying our preliminary conclusions, including our reliance, in part, on adverse facts available pursuant to sections 776(a) and (b) of the Act, *see* the Preliminary Decision Memorandum.⁵

Partial Rescission of Administrative Review, and Intent to Rescind, In Part

Pursuant to 19 CFR 351.213(d)(1), the Department will rescind an administrative review, in whole or in part, if the parties that requested a review withdraw the request within 90 days of the date of publication of the notice of initiation. Mid Continent Steel & Wire, Inc. (the petitioner) withdrew its requests for review of Astrotech Steels Private Limited; Blue Moon Logistics Private Ltd.; Bollore Logistics Vietnam Co. Ltd.; Dahnay Logistics Private Ltd; FGS Logistics Co. Ltd.; Honour Lane Shipping Ltd; SDV Vietnam Co. Ltd.; and United Nail Products Co. Ltd. No other party requested a review of these producers/exporters.⁶ Therefore, in accordance with 19 CFR 351.213(d)(1), the Department is rescinding this review with respect to these companies.

As explained in the Preliminary Decision Memorandum, there is no evidence that Dicha Sombrilla Co., Ltd. had a Type 3 (*i.e.*, reviewable) entry of subject merchandise during the POR. Therefore, pursuant to 19 CFR 351.213(d)(3), we preliminarily intend to rescind the review for Dicha Sombrilla Co., Ltd.⁷

⁴ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and, section 771(5A) of the Act regarding specificity.

⁵ A list of topics discussed in the Preliminary Decision Memorandum can be found as an appendix to this notice.

⁶ *See* Letter from the petitioner re: Administrative Review of Certain Steel Nails from the Socialist Republic of Vietnam: Withdrawal of Request for Administrative Reviews, dated October 5, 2016.

⁷ In *Alleghany Ludlum Corp. v. United States*, 346 F.3d 1368, 1372 (Fed. Cir. 2003), the Court of Appeals for the Federal Circuit upheld the Department’s practice of rescinding annual reviews when there are no entries of subject merchandise during the POR.

Preliminary Results of Review

As a result of this review, we preliminarily determine the countervailable subsidy rates to be:

Producer/Exporter	Subsidy Rate (percent)
Truong Vinh Ltd.	313.97
Rich State Inc.	313.97

Disclosure and Public Comment

The Department intends to disclose calculations performed for these preliminary results to the parties within five days of the date of publication of this notice, in accordance with 19 CFR 351.224(b). Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs no later than 30 days after the date of publication of these preliminary results of review.⁸ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.⁹ Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the case briefs are filed.¹⁰

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed electronically using ACCESS. An electronically filed document must be received successfully in its entirety by the Department's ACCESS by 5:00 p.m. Eastern Time within 30 days after the date of publication of this notice.¹¹ Hearing requests should contain the following: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the

⁸ See 19 CFR 351.309(c)(1)(ii).

⁹ See 19 CFR 351.309(c)(2).

¹⁰ See 19 CFR 351.309(d).

¹¹ See 19 CFR 351.310(c).

issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case briefs.

Unless extended, the Department intends to issue the final results of this review, including the results of its analysis of issues raised by parties in their comments, within 120 days after the publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(1).

Assessment Rates and Cash Deposit Requirement

In accordance with 19 CFR 351.221(b)(4)(i), we preliminarily assigned subsidy rates in the amounts shown above for the producers/exporters shown above. Upon issuance of the final results, the Department shall determine, and U.S. Customs and Border Protection (CBP) shall assess, CVDs on all appropriate entries covered by this review. We intend to issue instructions to CBP 15 days after publication of the final results of review.

Pursuant to section 751(a)(2)(C) of the Act, the Department also intends to instruct CBP to collect cash deposits of estimated CVDs, in the amounts shown above, for each of the respective companies shown above, on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits at the most-recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

For the non-reviewed firms for which we are rescinding this administrative review, the Department intends to instruct CBP 15 days after publication of these preliminary results of review to assess CVDs at rates equal to the rates of cash deposits for estimated countervailing duties required at the time of entry, or withdrawn from warehouse, for consumption, during the

period November 3, 2014, through December 31, 2015, in accordance with 19 CFR 351.212(c)(2).

These preliminary results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: June 19, 2017

Gary Taverman
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

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6. Use of Facts Otherwise Available And Adverse Inferences
 - A. Application of AFA: Truong Vinh, Rich State, and the GOV
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